

**Compilation of Email and Written Comments**  
**Received by Facilitation Team as of April 14, 2005**

Our managing agent has informed us about a proposal that is before the County Council concerning the possible ban of vacation rentals on Kauai.

As owners of a condominium at the Kapaa Shore for over 15 years we find this proposal very disturbing. Since the Hurricane Iniki, our family has always felt welcomed by Kauai, not only as owners but as visitors. Over the years we have made many friends with people living both on the island and also other vacation owners.

We have witnessed the transformation of the Island of Kauai from a sleepy island to a more tourist driven economy. We feel, as many of the people living on the island, that some controls need to be in place. We also feel that this current proposal would have a devastating impact on the economy of the island.

If you look at all of the surveys over the last several years, Kauai's economy is driven by tourism. Without an industrial base to support a growing economy, the island has used tourism and vacation rentals to support the local tax base. This tax base is supported not only by the residents but by vacation rentals, investors and people who have purchased second homes. If this proposal passes, how do you plan on making up for this loss of income? If your proposal passes, what would be the incentive for people like ourselves to invest in property?

Outside of the purchasing of property, look at the additional investment that tourism brings into the local economy. Restaurants, supermarkets, retail stores, tour groups, local products will all need to be factored into this proposal. If this proposal passes the impact on the local economy could be devastating.

In conclusion, we agree that controls need to be put in place to preserve the natural beauty of the Island, however, a clear direction for the overall economy of the Island of Kauai should be reviewed without placing blame on individual owners who would be forced to sell their homes if a proposal like this passes.

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My name is Bob Wilson and I am a property manager for CENTURY 21 All Islands. I have been in property management here on Kauai for the last five and one half years. In that time I have worked with both vacation rentals and long-term rentals. I would like to make a few comments to be noted for the upcoming discussions regarding vacation rentals here on the island. First of all, I am aware from my long-term rental management that there is rarely enough long-term housing on this island that the people living here can afford. I do not find this to stem from there being too many vacation rentals. It stems from the high sales prices of land and homes here on the island. While we encourage all new owners to provide affordable, long-term rentals with their properties, most do go with long-term rentals but can not

afford to provide affordable housing because of the high price they paid for their property. We are able to effectively show them that long-term rentals have a more consistent, positive cash flow. We are able to work with them to visit/stay at their properties when they become vacant. But we CAN NOT get them to accept an affordable price range as they can not afford to do so.

Please look carefully at the areas that have been mentioned as "problem areas" from vacation rentals. On the North Shore they are particularly Haena and Hanalei. Now, please look at the median sales prices for these areas specifically. They are two of the very highest in our county. Even if a new owner wanted to do long-term rentals in these areas, they certainly would not be in the affordable range. I guess my major concern here is that we not try to "fix" a symptom of a much larger issue. I guarantee that if we stop or limit vacation rentals in areas other than the VDA's, our economy will take a dive from the "earnings" loss to many of our local residents.

In addition to folks like myself, many more people can/will be affected by the proposed negative changes. People like cleaners, maintenance vendors including but not limited to painters, carpenters, cabinet makers, carpet cleaners, window/screen cleaners, yard service vendors, seamstresses, and many, many more! It will touch upon most areas of our local economy.

Sadly, we can not turn back time to the old days when all of us could afford to live here. I feel those days are gone forever! It saddens me to see many local families having to sell their properties because they can not pay the high property taxes on their land and homes. I was very happy to see the county put forth the long-term, affordable housing property tax break. I feel that many of us in this business came forward for that to make proposals that were then put into action. That tax break encouraged several of my long-term owners to keep their rental prices in the affordable range to get the tax break. I think if we all put our heads together, we can come to a reasonable solution to the concerns that have been and will be raised.

Mahalo for your time-  
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I was happy to hear you will be facilitator at meetings regarding vacation rentals outside of Visitor Destination Areas in Kauai. I am sorry I won't be able to attend Friday from 1 to 7 as I have several

appointments already. I am submitting my testimony by writing.

I am strongly against any further vacation rentals outside of Visitor Destination Areas. I am also in favor of banning all vacation rentals outside of a Visitor Destination Area, as people who are doing this knew or should have known their rentals were not in a properly zoned area. If some have to be grandfathered in, there should be County Zoning Ordinance provisions and a phase out as quickly as possible, including if the homes are resold.

I have been doing from 6 to 8 bankruptcies a month for Kauai residents. The cost of rental housing is the prime reason why local residents are having a hard time making ends meet. It is typical to have 3 wage earners supporting a 2 or 3 bedroom house, such as mom, dad, and a child. There are many, many adult children with children living with their parents and many many aged parents living with their children because they can't afford housing on their own. This problem is caused, in part, by the removal of long term rentals from the local market to vacation rentals. When mainland people are looking to buy these properties as investments, they look to see how it will cash flow as a vacation rental, not as a residential rental. This has also helped to drive the prices of homes up. The vacation rentals also disrupt the neighborhood in which they are located. Vacation renters are here to have a good time. Although most of them are courteous, there are certainly plenty who will make noise late at night while the local people next door have to get up at 6 a.m. to go to work. I have personally experienced this and so have my friends.

There are plenty of Visitor Destination Areas. If the council does not feel there are enough, they can have hearings and designate other areas if they think it is necessary. This will make for orderly development and preserve neighborhoods. Thanks for helping with this. This is a very important issue.

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I as a property owner in Princeville would like to make known my objections to the "Outright Ban of vacation rentals", "Grandfather with a phase out" idea being floated. Vacation rentals do provide a service to the visitors who do not want to be locked away in a 4 walled room. It also provide a source of tax revenue for the county and help the owner by providing some income. These sort of restrictions seem to infringe on the rights of the property owners also. What will be next? Neighborhoods requesting that a property owner cannot rent the property long term? This seems to be an isolationist way of thinking, what happened to the Ohana spirit? Is this a "I'm in paradise, keep everyone out" syndrome?

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Aloha - As I will not be able to attend Friday's meeting, I want to send you my current opinion on **vacation rentals on Kauai**.

I am a 30+ year resident of Kauai. I worked in the visitor industry for years, and in real estate and property management on Kauai's south shore in the 1978-86 period. I now am working in both visitor related (as a massage therapists) and resident businesses (as a secretary and bookkeeper).

So as a resident who has struggled with both employment and housing concerns, I have observed over the last 10 years that everyone on Kauai has been effected with the drastic increase in vacation rentals.

As we all struggle with increasing living costs, increasing number of people are turning to renting out short term to vacationers, instead of long term at lower rates. This has 2 important effects, and other less vital but still very real impact on Kauai.

**Not enough housing for Kauai's residents.** To me the very first concern you as our representative have is residential housing. Beach living and multiple tenants creating crowded conditions have become fairly accepted, all due to inflated rental prices and sheer lack of available houses. Shameful.

**Decrease in hotel occupancy means decreases in hotel staff.** So while some people benefit greatly from short term vacation rentals, affordable housing and jobs are lost. Also, resort areas are designated to handle people and traffic, and are planned for and taxed accordingly.

Bed & Breakfast units **means increased traffic and noise within residential communities**, and a constant flow of strange people in the neighborhood. Is this what "Residential" Zoning means?

Why should some people be allowed to redirect resort area designation, given the island-wide impact that this has. **What are our Zoning laws for?** As someone who has been working for over a year to get my humble resident approved by Planning, I am very frustrated at the ease at which others can operate very lucrative businesses out of residential neighborhoods.

I believe that there can only be a compromise by regulating all such units, with appropriate tariffs to support the impact on Kauai, including some kind of residential housing compensation/plan.

Right now anyone can, and so many have, open up a room or portion of their house for high vacation rental rates, at very little cost to them, but at what cost to Kauai's residents in terms of housing and jobs. **Making this practice run with guidelines appropriate to the high impact on the rest of Kauai is not only fair, it is essential.**

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How can Jay Furfaro participate in regulating vacation rentals on Kauai when he so obviously has a conflict of interest vis a vis his new job heading Princeville properties? The timing of his accepting the position and his rejection of rentals is entirely too blatant to be ignored. He should recuse himself from all activities concerning interests affecting his new employer.

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I am writing to testify as to the deep and real issues and concerns of our Kauai Island community. I ask please of your agency to consider these issues, as described below, I don't just speak from out of the blue but know many, many families facing the issues I address. As a former Caseworker for the State of Hawaii Department of Human Resources, I saw alot of families suffering. Many shared their financial stressors, and residency problems. As a contiued volunteer in our community I see a real need for something to change and be done for our island. I think regulating number of legal vacation rentals, and closing down the illegal ones is a step in the right direction for our island community here on Kauai. Furthermore, stiff penalties, that are enforceable, and enforce need to be met.

Please I implore of you to consider these issues and that of others who may find the way to contact you. Many people feel and believe as mentioned below but most of our island citizens are unable to voice their opinions because of lack of knowledge to whom or how, or that it'd make a difference.

I am writing on behalf of the regular citizens of kauai, not the wealthy, not the realtors who makes a huge profit from both legal and illegal vacation rentals on island, and not the owners of these properties who are making an enormous profit from the vacation rentals without much giving back to the community. I want to share what many of us voice to ourselves, and to deaf ears, but the many of the major issues we as citizens of the community want to voice. I am writing it in outline format, so thankyou for bearing with me.

1. A large majority of the vacation rentals on island are illegally run, without proper zoning. These dwellings are set amoungst our families and within our neighborhoods. No impact or study done to determine the impact on the neighborhood it was placed in. No consideration for the increased traffic, new rental cars, zooming in and out of the streets our children cross. Wear and tear on the rodes, the road side they tear up turning around in their rush to the next tour. Additonal trash and cost to our city.
2. Many vacation rentals are also additional dwellings, or attachments built without proper permits nor according to appropriate codes. Has the safety issues, fire hazzard, congestion been considered, I believe not.
2. Nor do these vacation rental owners pay taxes on the revenues they get from their units. Instead the county is only recieving a small fraction of taxes due on these properties. Many are taxed at the home owner rate. These vacation rentals do not create

new revenue for our community. It creates only fatter pockets for the vacation rental realtors and the wealthy multi-dwelling owning property owner.

3. Additionally, vacation rentals place another burden on the community. Lack of housing. Kauai is at an all time high, in affordable housing, and available housing period. This is due much in part to the latest trend in the last few years of home owners and property owners evicting their long term renting local families to transform the property to a vacation rental. Local families are run out of their homes so that the property owner can earn a higher profit without the overhead of paying the appropriate taxes. Many of these families end up on the beach, or sharing a single family residence with multiple families, sometimes an entire family per bedroom.

4. The trend to purchase properties, but not live in them, and rent them as vacation rentals while living outside of the state, has created another form of housing shortage for local residents. Local families don't have the chance to purchase these properties as they are bought and sold quickly by mainland wealthy, at inflated prices, they can afford, but we can not, who's entire intention is to rent it out as a vacation rental. Again, these individuals are not contributing to our local economy, but are buttering their pockets with big money, and leaving our local families without the homes. They are not paying taxes on the big bucks they are profiting from.

5. Additionally, with the trend of mainland residence in buying up all of the once local homes and converting them into vacation rentals, it has caused the medium of costs for a single family residence to sky rocket as the demand created by the vacation rental industry booms and mainlander wealthy take advantage of our ignorance in not preventing this sooner. Again, where is the taxes being paid back to our county for the vacation rentals and the burden on our roads, and economy these visitors create. Hotels have to pay taxes, why not the wealthy vacation rental owners. Who is providing alternative living and housing for the families ejected from their homes, homeless. Who is looking out for them. Who will build another affordable home for them, the answer...no one. Dollar signs talk, and no one intends to provide new affordable housing. The low and middle income families just continue to be squeezed out of their homes and our neighborhoods.

6. Indeed, local residence can not compete with the big dollars coming in from the mainland to purchase these single family homes, that are then converted from a place for our children to be raised into a vacation rental.

7. Additionally, with the vacation rental buzz, apartments, and condos that once housed our local families who could not afford their own home, or a single family residence, have long since been evicted, our local families have been kicked out of their homes, and then the units have been sold and transformed into further and mostly illegal vacation rentals. Again, ignoring the need for affordable residences for our local families. The property owners do not care about the families who are stranded without homes.

8. Where once, condo buildings full of our families once stood, stands buildings full of illegal and legal vacation rentals. No more neighborhood, no more family environment.

9. Now that these apartments and condos have been turned into vacation rentals, the neighborhoods become noisy, busy with rushing and speeding rental cars, disturbing the few remaining local residents. But the home owners of these units have no say who will be next to their unit, partying, loud voices music at all hours of the night, it'll last until the next group has a reservation, and on to the next.

10. How about our streets where the children bicycle. Once the roads were driven by local families, coming and going, people who drive slowly because, their children and family are out and about in these streets, but the tourist rushing to their illegal vacation rental doesn't even think, they speed through our neighborhoods on toward their destinations without a thought.

11. Shouldn't the families who own their homes in our neighborhoods have a right to decide if a vacation rental, bed and breakfast, or other hostel for tourists ends up right next door to them. Shouldn't they get to know who's the person next door & out in the yard standing beside their children who are playing on their swingset.

12. It's said that these vacation rentals create income for our island. How I ask? These tourists would still come to our beautiful island, but instead they'd stay in the hotels, and the few legal vacation rentals in non residential areas. Keeping the occupancy level high in our hotels is good, so that our locals will have real jobs in the hotel industry. What job does a vacation rental create? None, instead, with higher vacancy in the hotels, less employees are needed, the vacation rental takes away the visitor from the hotels. That means less jobs for our families.

13. If the vacation rentals are closed in family neighborhoods, traffic will be slowed down, people can know who's their neighbor, the dwellings can provide real housing for our local residents while still creating a revenue for the owner, as it once were. Let's bring things back to yesterdays, when neighborhoods were neighborhoods, not illegal mini hotels called vacation rentals, not the latest tourist domain.

14. If vacation rentals exist, they ought to pay taxes to contribute back to our community, they ought to be limited to non residential areas, there should be an impact study before allowed elsewhere, let the owners, families of the area have a say.

15. What many do not know, the deep dark secrets we don't want the world to see is the worst impact these vacation rentals have on our local families, the breakup of the family. Yes, when families are kicked out of their homes so that it can become another "Vacation Rental", where do these families go? Often to the beach, or an already over crowded single family dwelling that houses many extended families due to housing shortage. What if they have no place to go? Well it's a reality. The State of Hawaii Child Protection Agency removes many, many children from their families, because, the families have no where to live. The homeless families lose their children to foster care. Is this the legacy we want for our island children, torn apart from their families, parents,

siblings, because their family has no home to go to? What kind of lives will they have. This cost is too great! The cost of profit for the fat pocket property owners and the management companies, is too much for these innocent victims of greed!

16. Additionally, since many of our once single family dwellings are being swallowed up as fast as they become listed for sale and converted to vacation rentals, or as fast as the owner converts the unit themselves, the shortage of available housing for local families increase. This increase of cost and demand, raises the cost of housing for the rest of our local families. Once the shortage become a regular and permanent thing, single family dwelling owners who continue to rent out long term to our local families as our families homes thought better of the situation and took advantage, raising the average rent almost double what it was 4 years ago. When someone could rent a one bedroom for \$400-600, the same run down, plain old unit rents for anywhere from \$1000-1500! What an increase. How does someone on minimum wage or working at walmart, the hotel, gas station, kmart, or is the waitress serving your dinner able to afford that? Larger long term rentals range from \$1000 to \$3000. Who can afford that, certainly not the poor single parent, working even 2 jobs, not the minimum wage earner, not the person serving your coffee, not the maid cleaning the office in the evening. Where do these people go, where do they live? Its a simple process of cost and demand, the more the demand, with little available the more people can charge to their long term renters. This is greatly and majorily attributed to the hundreds of vacation rentals on island, most of which were once, residential homes for our local families. Where do thes displaced families go? Some to the beach, and have their children removed by the authorities, some to dwelling in a single bedroom at a relatives home temporarily. Some to low income housing of which there is over a years waiting list, with a shortage of units available and the demand greater than can be managed. Some move off island or even to the mainland. Yes, our youth, or families are being crowded off and driven off our island by the vacation rental industry, and the illegal vacation rental industry. Since the cost of housing has gone up due to the shortage created by the vacation rental craze, families can barely afford where they live, so something has to give, often the nutrition, and food to their families, debt, standard of living decrease, so that they can have a roof over their heads. Is this the legacy we want for our island families dwelling farther and farther into debt and poverty so a few can get wealthier, and the mainlanders wealthier at our local families' cost!

There needs to be a severe penalty, and someone to enforce it for illegal vacation rentals. Illegal vacation rentals should not be allowed to advertise in the Garden Island Newspaper or any other publication, or website unless they are liscensed and paying their taxes too! They had ought to have to prove they are legal before they are permitted to advertise their unit or dwelling, or to rent it out. Realtors ought to have proof that the vacation rental is indeed legal before they agree to be contracted to renting or managing these vacation rentals. To enforce this their ought to be a stiff financial penalty or more to both the property owner and the management company or realtor for breaking the law and running an illegal vacation rental. There needs to be a tax penalty for those who choose to violate the law. Back taxes ought to be an issue to address, forcing these owners to pay them, and a penalty for the management company who accidently but



purposely turned a blind eye to whether they were legal or not just to earn their commission.

There needs to be assigned an agency or body that can investigate and impose penalties, and fines on the violating party for running, managing, or advertising an illegal vacation rental. Without the stiff penalties and someone to enforce them, things will continue to be as they are now, and worsen as more and more of our community is swallowed up by the vacation rental buzz, and less and less homes for our locals, less and less appropriate taxes paid for the units and the cost of them going unpaid due to our county, of which or local citizens must eat the tax burden instead.

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We are unable to attend the public meeting on April 8, 2005 to discuss vacation rental homes on Kauai but we wanted to submit our input to the meeting. Please include this message in the meeting minutes.

We have been renting vacation homes on the North Shore since the early 1980s. Staying in vacation homes has provided our family a special experience and we have stayed in over 8 different homes on the North Shore during that period. While we have stayed on other islands in hotels and condominiums, the ability to stay as a "guest" in someone's vacation home rental is the major factor that resulted in us returning to Kauai year after year. Vacation rental houses are special to us for the following reasons

- \* We feel like we are staying as a guest in someone's home
- \* We can select from many North Shore location possibilities: Hanalei, Haena, others
- \* Beach view, mountain view
- \* Yard for children to run and play in
- \* Quiet streets and neighborhood provides privacy/less noise and activity around us
- \* Ability to cook all of our meals at home with food bought at Farmer's Markets and local stores
- \* Ability to meet the local neighbors, some with whom we have become good friends and with whom we correspond through-out the year

Several years ago, after observing all of the different local people who make our vacation on the North Shore so special, we researched the subject of how money spent in a local area by vacation visitors gets distributed to the local economy. Economic studies show that vacation dollars provide jobs for, on average, 19.6 different people. This includes, food service, gardeners, window washers, boat guides, reservationists, golf courses, etc. If we take Hanalei specifically, there are at least 26 places providing food to purchase. Visitors, not the local population, consume the majority of the food purchased at these locations. At the two Farmer's Markets in Hanalei, a large numbers of the shoppers are visitors, looking to buy locally grown food and locally made crafts. There are over 57 different services offered to guests on the North Shore, ranging from kayak tours, massage, horseback riding, golf lessons, etc.

Vacation rental homes benefit the local population in several ways. First, the guests renting the vacation homes inject millions of dollars in to the local economy through the support services discussed above. While unemployment on Kauai is higher than it should be, it would be significantly higher if the number of vacation rental homes were capped or reduced.

Second, vacation rental homes provide a way for guests to stay in facilities that blend into the community, avoiding the "big box" appearance of a major hotel structure. With a "big box" approach, high rise hotels with acres of parking lots concentrate hundreds of people into a small area, resulting in a larger disruption to the quality of life for local inhabitants as compared to the even distribution of visitors over a wider area into homes that blend in seamlessly with the local populations.

For the reasons described above, it is our recommendation that all vacation rental houses be registered on Kauai but there not be a cap on tastefully provided homes to accommodate guests visiting the island. The consequences to all of the Kauai infrastructure and jobs, if the number of vacation rental homes were capped or reduced, would have a significant negative impact on this special island of Kauai.

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I am writing to support a ban on vacation rentals unless the owner resides on the property. I have been a resident of Hanalei, Kaua'i for almost seven years. I was raised on O'ahu, lived on Maui for 14 years, Big Island 7 years(Puna Dist for 3 years, Captain Cook for 4 years). The vacation rental industry has negatively impacted our islands. I have witnessed the change of the community thru glut of vacation rental homes in Lanikai, the same impact has been evident in Kahala, Lahaina and Keahou Kona. Today I am writing specifically the Hanalei community.

I have performed hula as a contract worker for 12 years. Loss in hotel revenues (due to the vacation rental industry) has resulted in reducing our employment from six nites per week down to only one nite per week. Other hotel employees have also been influenced by the reduced occupancy rates.

\* Many local families who are seeking long term rentals have been priced out by the vacation rental industry; at this time I personally know 4 families seeking affordable housing on Kaua'i's northshore.

\* Hanalei School had teacher lay offs due to fewer actual residents in our community, meanwhile, families live in vans and at the beach parks or with friends while searching for affordable housing (my hula sister and her three children and 2 dogs lived with me for almost 5 mos and finally ended up living in substandard housing); other options for families include residing indiscarded Matson containers in Kilauea.

\* Purchase prices of homes are driven higher by mainland buyers who seek to capitalize on their investments thru the vacation rental industry and are not interested in the

community impact. Homes sit empty in Hanalei, Princeville and Haena for months with owners only willing to rent to vacation renters.

\*I do support OWNER-OCCUPANTS in renting out an additional unit on their property since they may need this income to keep up their mortgage payments.

When owners reside on the property they are more in tune with the problems of having visitors in the neighborhood. I live next door to a property managed by Northshore Properties. When the vacation renters locked themselves out on Christmas eve, the owners were in Colorado, the management company was closed and I was the one who missed church services to help strangers gain access to their rental. On another occasion, I had to help referee between the renters and a belligerent neighbor who objected to late night partying when he had to get up early to work. Another time, I had to report the cleaning service personnel who were squatting on the property when they knew that it would be empty. Too many headaches...much better to have long term neighbors!

I support the model used on Maui where vacation rentals are banned from residential neighborhoods, with the exception of registered B & B where the owners reside on the property. A ban on vacation rentals in Kaua'i residential communities is long overdue!

Thank you for listening to my concerns!

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It is important for the DPW to have these vacation rental identified. For the purpose of refuse collection, these units are considered commercial units and are charged a fee for the service.

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The last thing we need are more regulations--most importantly the ones that may affect vacation rentals.

The state of Hawaii is a special place, and we can share this by making vacation rentals a standard, not by outlawing them. Many of us do not fit into the expensive, space-limiting hotel rooms. Vacation home rentals are an easy way for mainlanders to share the aloha experience and for islanders to invest and make a return on that investment.

Please keep vacation rentals a source for the Hawai'i economy.

Sincerely,  
Elizabeth Dragoo  
4023 Anahola Road  
Anahola

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My wife and I love Hawaii and the Hawaiian culture. We spend five months a year in

Princeville and the rest of the time we have Kauai Vacation Rentals rent our home. This makes it possible for us to afford our vacation home. Please do not restrict our ability to rent our home and spend quality time in Hawaii.

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Ron Bonaguidi  
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Hanalei, HI 96714  
Cell 619-981-1460

April 5, 2005

Re: Community input regarding vacation rentals and an update to the Kauai  
Comprehensive Zoning Ordinance.

For years absentee homeowners and vacation rental real estate agents have gone about the business of renting single family homes to vacationers. Each year the numbers increase with Kauai visitors opting to rent homes as opposed to spending vacations at visitor destination hotels. Until recently, the impact of this activity on our community went largely unnoticed.

Today, Kauai is faced with the responsibility of dealing with an unmanaged vacation rental business. However, Kauai is hardly the first community to be confronted with such an issue. Many communities on the mainland have faced the problem and resolved the issue in a satisfactory manner. As Mayor Baptiste has publicly stated, regulating owners on how they can rent their homes is a very complex issue. I believe that by "raising levels of awareness" through communication with property owners and tenants, we can achieve our objectives.

Before proposing an outline of regulations, there are a few smaller points I would like to make. Vacationers on Kauai are renting homes primarily from absentee owners. These owners may personally use their homes for several weeks each year. The remainder of the time the home is rented by a property management company. The owners themselves spend little time on our island and they rely on the real estate company to manage their property. This results in the homeowner having little contact with the local community. Most homeowners don't know of the negative impact short term renting is having on Kauai, as their representatives are unlikely to disclose this fact.

First, we must get the message to the actual homeowners. We must communicate with the owners to let them know about our concerns. Some positive changes can be made with little or no impact to owners. For instance, owners and neighbors can both benefit by installing timers on exterior lights. Cleaning crews could be scheduled for work days during the week, saving weekends for non-activity. We could also ask owners to annually apply and sign for a Zoning Clearance and Business License, thus ensuring they are aware of the concerns of the community.

Secondly, we must get the attention of the vacationers. Vacation rental agents could require tenants to sign a document setting forth rules and regulations for the renters. This

document should be a separate instrument from the rental agreement/lease and the document should clearly spell out the rules. The vacationers must understand that a violation of the rules will result in immediate termination of his/her lease and a forfeiture of the rental deposit.

There is abundant information on the internet regarding the regulation of vacation rentals by various communities. I have attached an example ordinance that sets forth some regulations to be discussed and perhaps considered.

Very truly yours,  
Ronald M. Bonaguidi

(Facilitators' note – ordinance is attached at the end of this document)

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We own a home in Kauai that we have had for 5 years. Our family and friends use it about 30% of the time and then we have it for rent the remainder.

We would not be able to keep this house if we couldn't rent it some of the time.

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As an owner of a part personal use and part rental property to help cover the costs of ownership, I'm concerned about efforts to add regulations to vacation properties. I am mostly concerned that those living full time in Kauai have the quality of life that they expect. But I hope that it can be achieved without ostracizing those who want to enjoy the island part time and are willing to contribute financially to the overall benefit of the island. It's a small island with many wonderful features spread through out the length of the accessible coast line. Forcing renters into small VDAs might have the effect of overcrowding/overbuilding those areas and sending out legions of rental cars to all other areas on a daily basis. I think a better solution would be to require renters to follow certain guidelines to alleviate most of the concerns of permanent residents such as, quiet times, parking restrictions, maximum number of occupants per unit, and actions in public areas beyond the confines of the unit. Most of us who live part time or rent on the island want the same things that the permanent residents want. We don't appreciate loud parties, cars blocking other homes, obnoxious people, and anything else that destroys the wonder of the island whether by renters or residents. Helping everyone to live in harmony seems to be a far better goal than trying to separate groups of people in a small wonderful space.

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I am a property owner in the Poipu area. I own two vacation rentals and am in the process of building 2 more. I have built all of the homes for the specific purpose of investments and rentals.

During the course of construction, the homes have generated employment opportunities for the local community as well as tax revenues for the county. I have hired a local real estate management company and pay all of the State and County taxes required of vacation rentals. I also pay the county real estate taxes based on the improvements I have put into the properties. These homes directly employ several individuals, on a part-time basis, who make up the management, maintenance and landscaping teams.

The guests that stay at my rental properties have the opportunity to enjoy a Hawaiian experience different than staying at a condominium or hotel. These guests generate additional dollars to the tourism industry that the island economy enjoys that might not be generated if the only opportunity was a hotel or condominium experience.

Please consider allowing the use of single-family vacation rentals to those individuals who have registered with the State and operate them in accordance with the applicable taxes paid to the County and State.

Thank you for your consideration.

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Vacation rentals in Hawaii are almost all illegal- but there is no enforcement. If fines had been imposed from the beginning realtors wouldn't be able to promote big sales by encouraging vacation rental income to pay big mortgages. This would have kept housing costs down and Hawaiians in Hanalei.

It's too late now thanks to corrupt and uninvolved slow, government maybe all we can hope for is some "too late" property tax relief and the loss of tax income to the county could be made up partially by these fines. HELP US.

Our council people are all for greed.

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I am writing to you with regard to the proposed ordinance to regulate vacation rentals on Kauai outside of a VDA. As I understand it, the objective of the proposed ordinance is to increase the availability of housing in the Haena/Wainiha area by restricting the vacation rental of homes in this area.

I do not believe that such an ordinance will have the desired effect and it will clearly hurt the economy of the North Shore of Kauai.

I own a property on the North Shore which I rent to vacationers. This past year, I earned over \$30,000 in rent. All of that income has been put back in the local economy through: GE and TA taxes, property taxes, management fees, repairs, maintenance (I know the inside of the Princeville Ace like the back of my hand), new furniture, and donations to local charities. By the end of last year, every dollar earned in rent was spent on Kauai in the local economy. I have made similar investments in the economy of Kauai since 2000 and the money I have invested in my property has come from the vacation renters.

In addition to rental income the people who rent my house buy food at the grocery stores, eat in the local restaurants, buy goods in the local shops and stores, and so on and on. All of this provides jobs and income to the people of the North Shore. The collateral income to the North Shore from my vacation renters is at least another \$30,000 per year.

If there are just 100 homes like mine on the North Shore effected by this proposal, the economic loss to the North Shore of Kauai will be on the order of \$6,000,000 per year. Cutting that much money out of the local economy will, as they say, "leave a mark".

I have no interest in nor the financial need to sell my home or rent it on a permanent basis. I only rent it to vacationers because it makes good business sense since it defrays the cost of ownership, allows me to use the place a couple weeks of the year for myself, and adds money to the local economy. In the end, if I can't rent to vacationers, I won't rent at all and will just use the home more often for myself.

Over the years I have talked to other owners like myself and know that my situation is not unique and I believe the negative economic effects of this proposal will do far more harm than good. In the end this proposal will just depress the economy of the North Shore, throw people out of work (probably those you are trying to help), destroy tax base, increase the need for police patrols (because of all of the vacant houses) and have no effect in increasing the availability of housing in Haena/Wainiha.

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I was born and raised in Hawaii and spent my summers in Kauai with my mother's family. I work in California and was able to buy a home in Haena 15 years ago. With the increasing taxation, I had to rent out our home to help pay for our home. It is discriminatory to tax us in a different way because some locals feel the rich can afford it. Some of us are still local at heart yet our dreams are being destroyed by unilateral decisions and lumping me in a category that will eventually force me to sell to another rich non-local person. Please defend my rights as a person and help me keep my families summer home forever. Having variable taxation is not fair. A decrease in taxation and the county living within their means is the solution. Taxes have risen and our services are the same. I still live on a street that is not paved and pay huge taxes to have my street with huge potholes on my dirt stet after the rain. Please help us.

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We bought a small house in central Hanalei on Mahimahi Road in October 2003 with the intention of eventually making it our primary residence. Our house was being used as a vacation rental by the previous owner and had been for an unknown length of time prior to that. We continued to use it as a vacation rental to help defray expenses while allowing us to enjoy it as well. We have invested a considerable amount of time, money, and effort with landscaping and other improvements to enhance its attractiveness.

We bought our house with the good faith belief that use as a vacation rental was an acceptable activity. Now we understand that there was a proposal that came approximately five years ago before the County Council from Concerned Citizens of Haena/Wainiha to have regulations adopted regarding vacation rentals island-wide outside Visitor Destination Areas (VDAs). Several alternatives are being considered, including retroactive grand-fathering and outright bans on vacation rentals outside these areas. We oppose these alternatives as being unfair and for comprising unlawful taking of property.

Our vacation rental generates TAT/GET revenues as well as income for local residents, perhaps sufficient directly or indirectly to support an entire family unit. This income would be lost were a new ordinance outlawing our rental be adopted that affected our house.

Central Hanalei is obviously a "visitor area," as evidenced by the many shops and restaurants. Our house provides visitors to Kauai with an alternative experience to that provided by the condos, large hotels, and golf courses characteristic of most VDAs. VDAs are arbitrary and discriminatory.

Outlawing our vacation rental would not increase the local housing stock. Since we are frequent visitors (7 times last year), we would not rent it out long term.

There are a number of vacation rental properties in Hanalei. We do not believe these produce any negative impact on the community. Outlawing them would accomplish no good.

Grand-fathering some of the properties depending on when they began use as vacation rentals at some arbitrary date in the past is clearly discriminatory and unfair since that would treat people differently. If this course is chosen, the cutoff date should be that of the adoption of an ordinance.

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We own a Poipu home that is a vacation rental when we are not on the island. We would appreciate your taking into account the following thoughts before adopting any ordinance limiting vacation rentals:

- Our permanent neighbors seem to enjoy our renters, and vice versa.

- We spend considerably more on Kauai for home maintenance and improvements to keep our home presentable for renters than we would if we lived in it full time ourselves.
- We come here once or twice a year and spend money on services on Kauai.
- Having renters does not make us a profit, but it pays some of the costs of allowing us to have a 2nd home here.
- Should we and others like us have to sell because we could no longer rent, home prices would decline from their present run-up, with resulting losses in the tax base.
- Our home grosses \$20,000 to \$30,000 a year on which we pay sales and hotel taxes.
- Our renters seem to spend freely for services while they are on island. Limiting their options for places to stay will drive some of them to other destinations.
- There is already a registration process in effect - the hotel tax payment process.
- With tourism as the island's largest industry, it seems not wise to limit it's availability.

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The link for you email is incorrect in the paper.

The meeting was great.

I just read the article in the paper.

I need to digest all the numbers and thoughts and will write more later.

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Aloha ,

I am interested in understanding how the vacation rental industry is going to be enforced. Will there be a vacation rental cop knocking on doors to find out if the inhabitants are friends, relatives or paying customers? Whats the difference whether the home is located on residential zoning or ag zoning? Is it really legal and do we really want to create a vacation rental police force? I think before rules are made we need to have the lawyers decide how the enforcement will work.

I would like to create a few theoretical scenarios for you to consider. I met a nice person at the beach that I invited to my home. He stayed the night . So far no crime. The next day he offered to do some work for me in exchange for a room to stay. Is this now a crime since he will be stayimng for only a a few weeks?

What about this? It appears that long term rentals are legal. What if I offered a lease to someone for one year and they left after only one

month or even one week . Is that a crime?

Can I let a friend stay in my house while I am away? I suppose the answer is yes unless he gave me money or goods and services in which case it may be a crime.

Do we want neighbors turning in other neighbors because there are strangers in their homes? The only way to effectively police the length of time that one stays in a rental will be to register all rentals, long or short term. Do we really want to do that? How about limiting the amount of people that are allowed to inhabit each home? Are we planning to do that also? I see that many of our long term rental units on the north shore are occupied by more than one family. In fact the greatest impact that I see in terms of the number of vehicles parked are in the long term units which have multiple tenants and many more vehicles than the vacation homes. The tourists have new rental cars and the long term units often times have old rusty cars that are leaking oil. Is that better??

Think about it Kauai, we have a lot of things to fix and don't need to spend our valuable resources on this issue which is impossible to enforce. Did we build the huge new court house and police station so that we can harass our citizens?

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Hello, just a quick note to say I am for Vacation Rentals. My wife and three little girls all depend on the economic stability that the VR industry brings us. We could NEVER have saved enough money to buy our home without those VR dollars. My business is tree trimming and removals, Greencare, inc. Richard Patey. 808-826-4108. I've been here 18 years on the Northshore, so I seen it all grow. I like it better now, without all the long term rentals. They were typically party houses...drugs,fights,etc. The Northshore used to be a wild place. The VR has solved that problem. Thanks for your time.

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Lucy from Kauai Vacation Rentals has been keeping me abreast of proposals aimed towards regulating vacation rentals on Kauai. I would like to share with you some of my family's experience as home owners in Hanalei for more than fifty years. Our small single-family cottage continues to be enjoyed by three generations of family members. For most of its nearly fifty years our cottage has also been rented part of the year to help pay the expenses for upkeep and taxes.

My father Lath Meriam fell in love with Kauai back in 1955 when he visited the island on the occasion of the Oahu-Kauai boat race. He purchased the property on Weke road in the early 1960s and built a small 800 sq ft cottage with his own hands over several summers beginning in 1967. He intended the cottage for family vacations, but from the start also rented to friends and friends of friends when family wasn't in residence. When Hurricane Iniki struck, for example, our Hawaiian neighbors the

Spencers found shelter at the cottage while their own badly damaged home was being rebuilt. Other special memories include the time my husband and I spent his R and R from Viet Nam at the house, our young son learning to swim in the bay, and more recently my sister's wedding. About fourteen years ago as my parents got older they placed the home in Lucy's hands at KVR to manage the rentals and upkeep when none of us were there.

This arrangement has worked well for us and for our guests. I would like to see it continued, for the income we derive from the rentals helps cover expenses so that we can continue to enjoy the property. If we could not rent part of the year, we would have to consider developing the property into a duplex or triplex or selling. I have no doubt any buyer would tear down my father's cottage and construct something much larger and imposing. Personally, I think it better to have a modest, now historic cottage on a double lot which is rented part time than someone's mammoth mansion or a multiple dwelling complex that crowds the neighborhood.

I'm sure the various groups who are working on the issue of rental regulations will be taking many factors into consideration in an attempt to do what is best for the island, its residents, its environment and its economy, and I appreciate your efforts to facilitate the upcoming meetings. I hope my reflections will add to the mix the perspective of a long-time family property owner who rents part-time, enjoys coming to Kauai, and, along with everyone else, dearly loves the island.

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In 1999 we purchased a home in Kekaha near some friends, Gail and Raymond Miller, whom we had met through our son's school. We have rented it as a vacation rental with several agencies, and now are with Kauai Vacation Rentals. Our ultimate plan is to move there and begin a business on the island. The neighbors are very cordial and we have never had a complaint about occupancy. It is quite expensive to maintain, but is available to us occasionally. Hopefully we may maintain it as a vacation rental.

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We are not able to attend the public meetings concerning single family vacation rental homes in Kauai, however we would like to have the opportunity to give input.

We own a vacation rental home in Hanalei. We purchased the property in 1970 and built in 1972. We rented our house on a long term basis for over 25 years. We reduced our rent with the provision that we would spend 4 to 6 weeks every other year on a working vacation.

Five years ago we changed to vacation rental because (1) our renters were no longer able to leave the residence for even 2 weeks/year due to business commitments and the lack of short term affordable housing and (2) we are now retired and living in Maui and want to spend more time in Hanalei improving our property and enjoying our many friends in the community.

We are making a modest profit from our vacation rental which serves as part of our retirement income. Our property taxes are very high with a 30% increase in property valuation this past year. We also pay excise and transient accommodation tax.

Now, we are facing the possibility of a ban of vacation rentals in our community which would leave us with these options.

(1) return to long term rental which means that we will not be able to maintain our property properly or even visit Hanalei.

(2) sell the property which means that we will never be able to visit or own property in Hanalei.

(3) Move to Hanalei on a permanent basis, which means we will have to sell or rent our property in Maui.

None of these options work for us as they mean changes that are undesirable for us as retired persons.

I realize that our situation may be unique and that some people feel that they have the answer for a problem. The reality for us (30+ year property owner) is that we are being discriminated against!

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I am the owner of a home at Tunnels Beach which I hold open for vacation rental. The home is five bedroom and five baths. I have been renting the house since it was built in 2002.

I am employed and have children in high school in California. Therefore, I can only use the house when they are not in school. Over the past four years I have used the house approximately six weeks per year. It has been rented approximately 20 weeks per year.

I will not rent the house on a long term basis, both because of the economics of long term rental would not pay my mortgage and other expenses and because my family and I would want to be able to use the house when we have the time and opportunity to do so. Consequentially, I would either sell the house or if the house was not sold, it would remain vacation 10 1/2 months per year.

I fail to understand how prohibiting vacation rentals would serve the best interests of residents of Kauai, inasmuch as tourism is, as I understand it the primary industry of the island. I currently pay house cleaners, tradesmen, gardeners, a pest control company, real estate commissions and taxes from the rental proceeds from my house. In addition my guests frequent Kauai's stores, restaurants, activities booths, and use its service providers. All of this income would be lost to Kauai if vacation rental was prohibited in the area.

I have never had any complaints about the persons I rent my house to from my neighbors. My real estate agents, have carefully monitored my house and assured that the property is kept in top order, that things are repaired and that the property is kept clean.

I hope that this letter is helpful in addressing this issue.

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I would like to share some thoughts in regard to vacation rentals on Kauai.

First point: Vacation rentals and affordable housing are two separate

issues. We should NOT ASSUME that they are the same issue. As Mr. Ken Stokes of the Kauaian Institute wrote in the Kauai Island News (April 8, 2005): "Real estate is growing big as tourism". Kauai is paradise and everyone worldwide wants a peice of it. That is why we are the king of timeshares and why so many homes are being purchased by outsiders (reguardless if they rent them part time or not). can we blame the good people of the world? I think not, this is paradise!

There are amny reason for this influx of new comers:

1. Everyone wants a piece of paradise
2. Interest rates are at historic lows (easy to buy more expensive real esate if you have the cash for down payment)
3. People are investing in real estate instead of the stock market
4. People feel safe from terrorists on Kauai (we are not seen as a target as are big cities)

These malahene are coming and buying a piece of paradise with their wealth from around the world regardless (of vacation rentals) . We'd better face that fact.

Second Point: Many, many of our local families can only survive and stay here by vacation renting part of their real estate. Lets not force them to move off the island by taking away an important means of survival from them.

Third Point: Vacation rentals support our economy. Our economy is a tourist economy. We need the tourisit. Vacation rentals are world wide and vacationers will go elsewhere if we do not offer waht they want (vacation rentals). Also, many of us make our living off of vacation rentals and associated jobs (lawn care, cleaning services, activities, tours, restaurants...). Our economy is very fragile (remember the two "9-11's"?). Lets not shoot ourselves in the foot by doing somthing drastic and destroying our economy when things are not so good as what they currently seem to be. Our economy can turn down in an instant (the instant theat a hurricane hits, the instant that terrorists attack, the instant that an airline goes out of business...). Lets not take too drastic of action.

Fourth point: Jay Furaro is and always has been a big money big resort man. He is currently employed by Princeville resort! What a conflict of interest. His hidden (but not so secret) agenda is to reduce competition for is employer. It is obvious even if he denies it. He shoule NOT be involved with this issue. This whole "public meeting" scenereo is just to try to make his actions seem ligitimate to those who are not awary of his loyalties and current employment. He should NOT be involved in this matter! It he is, it is an obvious conflict of interest and an obvious sham!

Fifth Point: The affordable housing solution is simple and the county can do it. Just condemn and purchase 100 acres of land (for use of affordable housing) on each of the west side, south side, east side and north side of Kauai. Make them into 1/3 acre lots for affordable housing (that would be 1200 home lots available for affordable housing). We'd have no problem of affordable housing!

Sixth Point: Rentals are a plenty. The Garden Isle Newspaper has had between 80 and 100 rentals advertised for the last number of months! Landlord need more renters! There is obviously a shortage of renters for the rental market currently. If you don't believe it, just read the paper and look at the classified section.

Thank you for your time. I really do not think that what the people say or want matters to this county council, as was evident with the tax relief issue. I have never heard of a county's elected officials suing to prevent what the citizens vote in and want before. I expect similar disregard of the citizens with the county's actions on this matter. Sorry to be pessimistic, but we have seen it in action already.

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The meeting was very well put together but it was again proven that the Council Members needed to be educated on the details of the issues regarding the vacation rental industry. I have not met a Council Member yet that has a full understanding of our industry. It is scary to think that we are at their mercy as well as our future is in these hands. It is so simple; we have been here for a while and we are here to stay. Why even have a permit?

Where are the people that are against vacation rentals?

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Criteria for permitting vacation rentals should be dependent on history of ? (sic) years of payment of GE and TAT taxes.

Tax vacation rentals as commercial property rather than residential property, which will have the effect of reducing the total number.

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Ken Stokes mentioned we don't know as a fact that vacation rentals are a cause of the affordable rental and housing problems. If this is true, before making decisions, perhaps an investigation should occur.

Look at the crowd of attendees, majority of realtors and property owners, the general public doesn't know so they can't appear.

How about the families who've been evicted by their landlord so the units can be converted to vacation rentals?

As Ken Stokes pointed out, there are a lot of vacation rentals not advertised, so he doesn't know how many there really are. Single family dwellings that used to be our Kauaian families' homes. Look at the number of units to homes now that for short-term compared to what there were a few years ago. If those dwellings no longer house residents, they are now vacation rentals, well the someone who lived there now has no where to go, they went somewhere, where is what the vacation rental industry wants to ignore to pretend doesn't exist. They don't want to know or admit that the families have been ejected from these dwellings. No one has proposed or provided new accommodations to house our locals. Look at the short list of rentals listed in the paper for long-term rentals, and those get numerous calls because of such a shortage. Has anyone asked or surveyed the local families to really see who lost their homes to vacation rentals?

People talk about losing their livelihoods if they lose the vacation rental, let's be honest, these are upper income families, they will not lose anything.

Another thought. It's said that vacation rentals only have 50% occupancy. Well that's because there are too many units. Less vacation units would fill up the occupancy rate.

Look at the majority of the attendees, they all are the upper class to even those from off island, the poor didn't know how to voice their opinions.

If they want to keep vacation rentals, let the tax revenue which all should pay, be used to make affordable housing for us locals so that as mentioned by testimony we don't have to scrub the toilets of the realtors, and visitors, but can keep our dignity and still have a home.

Tax incentives to make dwellings long-term rentals at an affordable rate for the regular Kauaian not just the financially privileged. Higher taxes to those who retain vacation rentals to revenues in taxes go to building and operating low-income housing for our island's poor. They count too!

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1. Having single family vacation rentals distributed throughout our island minimizes impact on traffic congestion and environmental issues. Such is not the case with enormous high rise hotels with hundreds of guests staying in there all at once.
  2. Vacation rental income helps the home owner better cope with high (and steady rising) property taxes and utility bills.
  3. Vacation rental ownership helps retired persons and under-employed persons to supplement their income by becoming self-employed.



4. Vacation rental homes are well maintained and attractive.
  5. Vacation rental homes offer our visitors to Kauai a charming and unique alternative to staying in large commercial properties.
  6. The vacation renter is usually able to afford to patronize locally owned shops and restaurants—those staying in hotels usually eat and shop within the hotel.
  7. For the owner of vacation rentals, there is less risk to the residence since occupation is brief. The house does not fall into disrepair or have illegal additions made to it as is often the case with long-term rentals.
  8. Since rent is collected in advance by vacation rental owners, there is no hassle in collecting rents or evicting bad tenants. This is not the case with long-term rentals.
  9. Views are not marred by vacation rentals as they are by large hotels and condo projects and the beaches adjacent to them are not dominated and over-crowded by their guests.
  10. Allowing vacation rentals let mainlanders come there and purchase a home that they intend to occupy or retire to at a future date. The vacation rental income allows them to do this and also travel here and use their home frequently themselves.
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#### Related Issue: Housing

Note: 86 rentals (homes, condos, apartments) are advertised available looking for renters in today's Garden Isle newspaper.

Note: Housing prices will be high regardless of vacation rentals.

Note: (Landlords) Renters are scared to get involved with low income government assisted renters due to the fact that the low income renters can damage a unit and the landlord has no means to recover from such damages.

#### Proposed solutions to housing “shortage.”

- A. Condemn 100 acres on the west, south, and east sides for low-income housing. Allow 1/3 acre lots (900 lots) available for such housing.
- B. Allow vacation rentals that have been in business and paying TAT and GET taxes for at least five years. But, close down those (vacation rentals) that have not paid TAT and GET for at least five years. Or, (the owner) do not live on Kauai as a permanent residence/basis.
- C. Get a government program where the government will assure landlords that they will be able to collect for damages done by low income renters involved in a government assisted rental program.

- D. Allow vacation rentals that meet “B” and the owners live on Kauai but don’t allow for vacation rentals where the owner does not live on Kauai.

Note: Our economy is very fragile and we all need tourist money to survive—we are a tourism-based economy. We should not destroy our means of survival by eliminating all vacation rentals.

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Rotate the privilege of use of land in a residential district after subject to registered permit.

- (1) Tax reform (!!! Now).
- (2) Setting percentage of units allowed per neighborhood
- (3) Allow B&B on working ag. Regulate all B&Bs. B&Bs limit to 3 units. More than 3=inn. Except not allowing continuance of any vacation property where a single family residence had more than one unit per home (violation).
- (4) Not allowing timeshare of homes or any timeshare in residential acres (sorry Steve Case).
- (5) Not allowing corporate (non single owners) vacation rental homes. Impose design control on any new vacation rental home.

I am not impressed with the argument that vacation rental made it possible for some current residents to live here. Vacation rentals made it possible to pay for a second home mortgage while other long-term residents have lost property or had to relocate and relocate unable to catch the fast rising real estate market.

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#### Vacation Rentals: Solutions

1. Vacation rentals are a business. The right to have/run one should be purchased. I suggest that there should be a fee of say \$50,000.00 per vacation rental—paid to the county.
  - A. There should be a limited number of vacation rental permits available in each area.
  - B. There should be a limit to the number of permits any one owner can buy.
  - C. A certain percentage of permits should be made available to residents and non-residents.
    - 1) Residency determined by amount of time spent living on island.
  - D. Permits should be transferable to new owner of property if they meet the other criteria. Otherwise, the permit is forfeited with no refund of permit fee.
2. The money earned from permit fees should go into an affordable housing program—not to be raided!
3. The vacation rentals should have to pay a higher property tax rate.
  - A. People renting long-term should receive tax breaks comparable to residences—as any higher taxes would be passed on to tenants (not good).
4. Bed and breakfasts that are run out of private residences should become “legal” and they should have to pay taxes on the earned income.

A. A tax that stays in the county could be imposed on B&Bs (as well as vacation rentals).

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Jay Fufaro has a HUGE conflict of interest here! He is in big with the Princeville Resort!! He wants to drive out any and all competition. He should excuse himself and not be involved in this process!!!

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Re.: Private residences that have been turned into Huge vacation rentals.

Dear Commission,

I live on a cul-de-sac in Hanalei, in the Hanalei palms on Kauai. At the end of the cul-de-sac, there are three soon to be four vacation rentals that house up to 14 people each. The apartments that are currently being turned into vacation rentals will house 20 people! I live on the first block of the cul-de-sac so all I get is the traffic cars and people from this situation. Please consider the size of the vacation rental and the number of people it is designed to rent to. It is very sad to be surrounded by vacation rentals and lose our neighborhood.

I am not sure how to handle this situation. I have a number of friends with small 1-4 person rentals and I do not want to interfere with the ability to make some money. But these huge vacation rentals in a neighborhood where homes are close together is a nightmare for those of us who live here.

Thank you,  
Resident of Pilikoa St., Hanalei, Kauai

Holidays are the worst in our neighborhood.

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